

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to award Bid No.13073 for Commercial Water Meter Replacement – 2013 to Earthwork Enterprises, Inc., as the lowest responsible and responsive bidder, in the amount of \$105,170.37 (CIP Plan No. W-98).

FISCAL IMPACT

Awarding this bid commits the City to payment of \$105,170.37. This contract is fully funded through the Utility's Replacement of Large Commercial Water Meters Program (CIP Plan No. W-98). This amount is approximately 38.8% below the Engineer's Estimate. Sufficient funds have been budgeted to fund this contract in the 2013-2019 Utilities CIP Budget.

STAFF CONTACT

Nav Ota, Director, 452-2041

Paul Bucich, Acting Assistant Director, 452-4596

Utilities Department

POLICY CONSIDERATION

Utilities Department policies:

- Provide for the identification and implementation of capital projects via the CIP, to rehabilitate or replace deteriorated elements of the water system to provide utility customers with consistent, reliable service.

Utility Department practice:

- Replace old and outdated commercial water meters to provide for better maintenance and reliable operation. CIP Plan No. W-98 has been designated to do this.

City Contracting policies:

- BCC 4.28 provides for the fair and equitable treatment in the purchasing process. Because the amount of the contract exceeds \$35,000, Council approval is required.

BACKGROUND

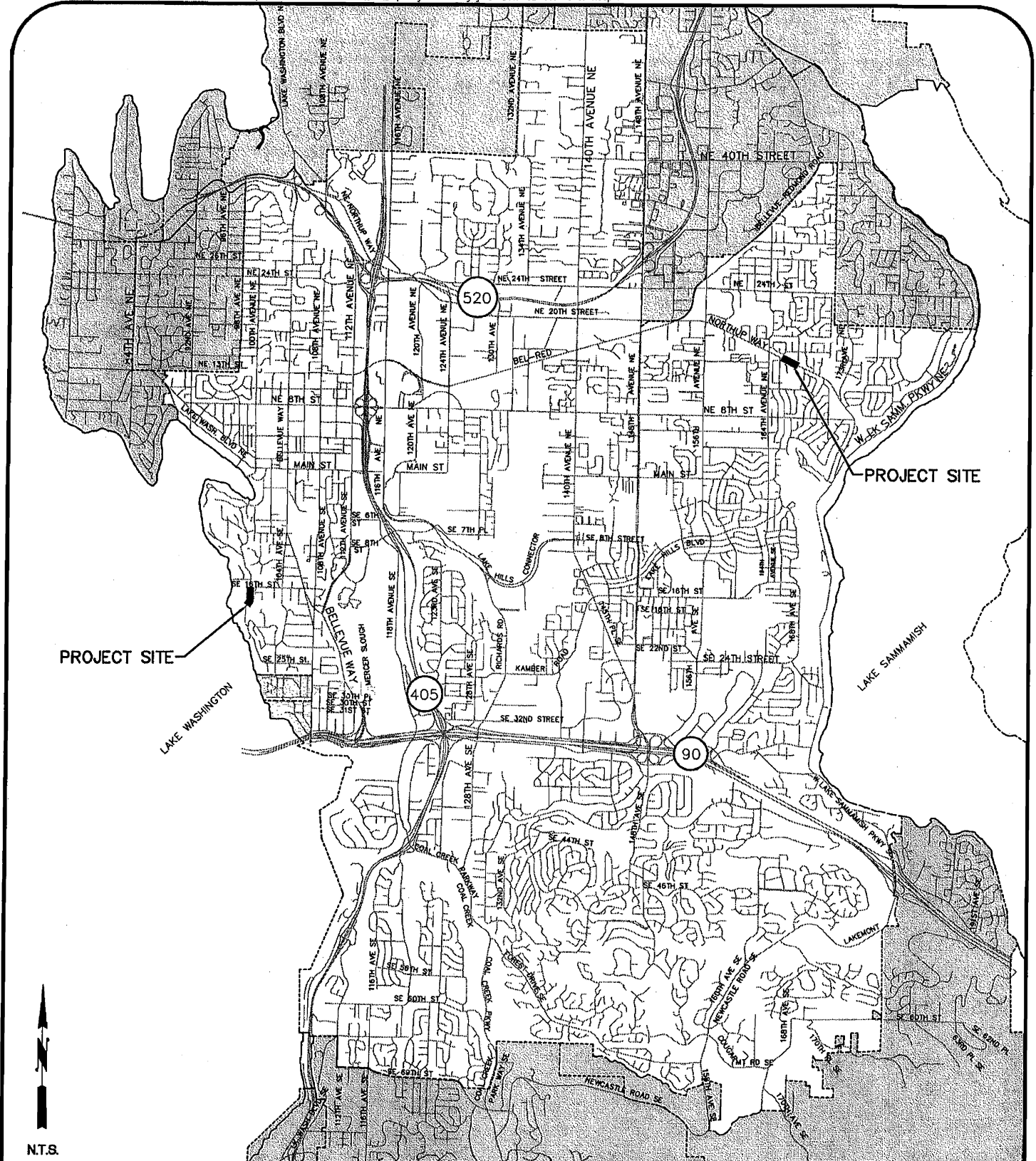
This contract will replace two commercial water meter assemblies, one 3-inch and one 4-inch, at two separate sites in Bellevue. These commercial meters are difficult or impossible to test or repair due to undersized vaults and deterioration of aging meters and associated pipe, fittings, and valves. Other deficiencies with these meter assemblies include lack of strainers which leads to under-registered flows and undersized by-pass lines which limit the ability to provide uninterrupted service during maintenance. Maintenance access to the new meter assemblies will be improved through installation of larger vaults and hatches. Service reliability to customers will be improved and revenues will be enhanced by more accurately measuring water consumption. During construction, efforts will be made to keep interruption in water service to

MOTION

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ATTACHMENTS

Vicinity Map
CIP Project Description



COMMERCIAL WATER METER REPLACEMENT 2013
C.I.P. W-98



FY2013-2019 Capital Investment Program

W-98 Replacement of Large Commercial Water Meters

Category: **Water**
 Department: **Utilities**

Status: **Ongoing**
 Location: **Various locations throughout Water Utility's service area**

Programmed Funding

Programmed Funding	Appropriated To Date	FY 2013 Budget	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
4,641,640	1,900,952	359,968	370,388	380,726	390,983	401,915	412,782	423,926

Description and Scope

This program systematically replaces high-volume commercial water meters (3" and larger) as their performance accuracy declines.

PROJECT NEED: System Renewal and Replacement

Rationale

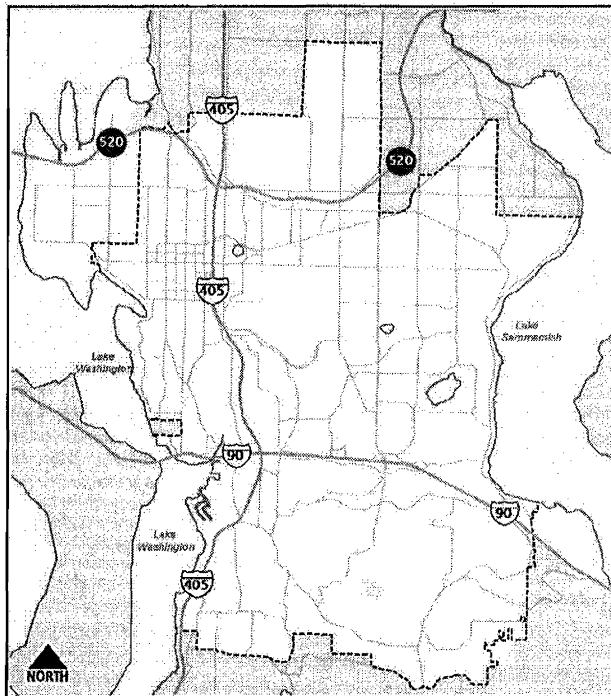
A 2003 Water Loss Study identified that older commercial meters 3-inches and larger may significantly under-register flows passing through them, and become less accurate over time. There are 279 of these meters in our system (out of over 35,000 total meters) which account for nearly 30% of the total volume of water sold. The study suggested the meters may under-read as much as 102 million gallons annually (retail value ~\$400,000). The revenue lost by the meter inaccuracies affects both the water and sewer utilities, since sewer rates are based on winter water usage. This investment ensures equitable water charges by accurately measuring the water consumed. This results in more accurate rate allocation among user classes (residential and commercial customers), and reduced unaccounted (and non-revenue producing) water. A secondary program benefit is to resolve safety issues at 75 of the meters, which cannot currently be read remotely. Many of these oldest meters are in vaults which need to be replaced to accommodate the new meters, and to meet current safety/access standards. Vault replacement adds to the complexity and cost. The current budget funds replacement of 3-4 meters/year for locations where the vault must be replaced.

Environmental Impacts

Replacement of large meters often involves replacement of the vault to meet the design requirements of new meters and current safety and operational standards. However, in most cases there is no environmental impact associated with replacement of meter and vault.

Operating Budget Impacts

This project will have some positive impact on operating revenues, since new water meters are more accurate than the ones being replaced, which tend to under-register water. This project will have no impact on operating expenditures since it replaces existing facilities.

Project Map**Schedule of Activities**

Project Activities	From - To	Amount
Project Costs	2005 - 2019	4,641,640

Total Budgetary Cost Estimate: 4,641,640

Means of Financing

Funding Source	Amount
Utility Rates/Fees	4,641,640

Total Programmed Funding: 4,641,640

Future Funding Requirements: 0

Comments

This project is located throughout the service area.